

Key Findings and Recommendations from The Inter-American Foundation 2017 Grantee Perception Report

Prepared by The Center for Effective Philanthropy (CEP)

In June and July of 2020, The Center for Effective Philanthropy conducted a survey of the Inter-American Foundation's (IAF) grantees, achieving an 85 percent response rate.

The memo below outlines the key findings and recommendations from its Grantee Perception Report ("GPR"). IAF grantee perceptions should be interpreted in light of the Foundation's own goals, strategy and context. This memo accompanies the comprehensive survey results found in the interactive online report at <https://cep.surveymethods.org> and in the downloadable online materials.

The full report also contains more information about survey analysis and methodology.

Overall, Incredibly Strong Ratings throughout the Grantee Perception Report

The Inter-American Foundation's grantees continue to hold exceptionally positive perceptions of the Foundation, both overall and compared to grantees of the typical funder in CEP's dataset.

- ▶ On nearly all measures throughout the GPR, IAF is rated more positively than the typical funder in CEP's dataset. Grantees describe IAF as "supportive," "flexible," and "respects the grassroots organizations and commits to working alongside them as they grow."
- ▶ In fact, grantees rate IAF higher than every other funder in CEP's dataset for a number of measures, including its overall transparency, openness to ideas from grantees about its strategy, and the helpfulness of its selection process in strengthening their funded organizations/programs.
- ▶ On several measures, including grantees' perceptions of IAF's impact on their local communities and how fairly grantees felt treated, ratings have significantly improved from IAF's 2017 GPR.
- ▶ Still, as was the case in IAF's 2017 Grantee Perception Report, grantees indicate opportunities to streamline the Foundation's grantmaking processes and reduce the amount of time between grantees' submission of a grant proposal and the Foundation's commitment of funding.

Continued Positive Perceptions of IAF's Impact and Understanding of Grantees' Fields and Communities

- ▶ IAF receives ratings in the top one percent of funders in CEP's grantee comparative dataset for its impact on their fields. As they did in 2017, IAF grantees rate the Foundation more positively than typical for its impact on and understanding of their fields and communities.
- ▶ Grantees' ratings place the IAF in the top ten percent of CEP's comparative dataset for its impact on their local communities; this rating is significantly higher than in IAF's 2017 GPR.
- ▶ Additionally, grantees perceive IAF to have a deep understanding of the contextual factors that affect their work and a thorough understanding of the needs of their intended beneficiaries.



"It has contributed to strengthening local community governance through the implementation of community committees, generating ownership and unity."



"One of the greatest impacts that the support of the Inter-American Foundation allows is the inclusion of vulnerable groups to alternative economic sources... that allows them an income to invest in their projects and dreams."

Strong Impact on Grantees' Organizations and Sustainability

Grantees continue to rate IAF higher than typical for its impact on and understanding of their organizations. In both their quantitative ratings and open-ended comments, grantees perceive IAF to have a deep understanding of their goals, strategies, contexts, and challenges.

Grantmaking Characteristics

In general, IAF gives large, long grants to smaller than typical organizations:

- ▶ Grantees report a median grant size of USD\$225,000, which is larger than the 75 percent of funders in CEP's grantee dataset. Grantees report receiving grants that are 3.8 years long, on average (in the 95th percentile of CEP's dataset).
- ▶ The typical IAF grantee organization has a median budget of USD\$150,000 – less than nearly every funder in CEP's comparative dataset.
- ▶ As a result, IAF grants make up a larger than typical proportion of a grantees' annual budget – 40 percent – compared to four percent at the typical funder.

Nonmonetary Support

A significantly larger proportion of grantees than in 2017 (40 percent) report receiving the most intensive patterns of nonmonetary assistance; this proportion is in the top ten percent of CEP's comparative dataset.

- ▶ These grantees rate IAF more positively on nearly every measure in the report, including the impact IAF is having on their organizations.
- ▶ Most often, grantees report that IAF encouraged or facilitated their collaborations with others, provided seminars, forums, or convenings, and provided insight or advice on their fields.
- ▶ Nonetheless, in their open-ended suggestions, grantees continue to indicate a desire for even more assistance beyond the grant. Twenty-two percent of all the suggestions – the largest proportion – relate to requests for more nonmonetary support, particularly more convening opportunities and capacity building.

- ▶ Compared to grantees of other funders in CEP’s dataset, a larger proportion of IAF grantees reported that they had requested nonmonetary support for IAF in order to strengthen their organizations.
- ▶ In a custom question regarding the ways that IAF has helped grantees obtain financial or non-financial support from other sources, grantees indicated the most useful resources was IAF’s reputation, which lent credibility to their efforts.



“The IAF’s impact on our organization has been highly positive, not only due to the economic issue that has facilitated the implementation of our project, but also, by respecting our identity and independence, suggesting more efficient ways of working, they have shown a lot of respect towards our work.”

Strong Funder-Grantee Relationships

IAF grantees rate the Foundation in the top 30 percent of CEP’s dataset for a summary measure of the strength of their relationships with the Foundation. In their open-ended comments grantees write that IAF staff are “friendly,” “attentive,” and that “communicating with IAF is special.”

- ▶ IAF is rated in the top five percent of CEP’s dataset for the extent to which the Foundation exhibited candor about IAF’s perspectives on grantees’ work and above typical for the extent to which IAF exhibited compassion for those affected by grantees’ work, respectful interaction, and trust in grantee organizations’ staff.

Top Predictors of Relationships

CEP’s research has identified two key predictors of strong funder-grantee relationships: funder transparency and an “understanding” summary measure made up of seven measures related to a funder’s understanding of grantees’ work.

- ▶ The Inter-American Foundation receives the highest ratings in CEP’s dataset for its transparency with grantee organizations, and ratings in the top fifteen percent for the understanding-related summary measure.

High-Quality Interactions

IAF’s grantees rate the Foundation higher than most other funders for their comfort approaching the Foundation if a problem arises, and significantly higher than in 2017 for the fairness of their treatment.

- ▶ The Foundation’s approach to interacting with grantees may be contributing to these strong – and increasing – perceptions. Grantees with more frequent and reciprocal contact with their program officers rate IAF more positively on many measures throughout the report, including the strength of their relationships and IAF’s understanding of their work and contexts.
 - More than half of grantees report being in contact with their program officer monthly or more often – this is nearly double what is typical.
 - IAF grantees report more reciprocal or funder-led contact than is typical. More than 60 percent of IAF grantees report a balanced initiation of contact, where both the grantees’ program officer and grantee initiate contact at an equal frequency.



“Interactions and communications are regular, weekly, and allow us to address advances, problems, and challenges within the necessary and appropriate timeframes to address or develop them. There is mutual respect and kindness. The recommendations, observations and suggestions by the IAF team have allowed us to refine and improve project activities, making it feasible for the objectives to be met or rethought to generate new challenges, not covered by the initial proposal.”

Helpful, though Time-Intensive, Grantmaking Processes

As in 2017, IAF grantees perceive the Foundation's grantmaking processes to be helpful, thorough, and time-intensive – especially compared to most other funders in CEP's dataset.

- ▶ In total, grantees are spending 165 hours on IAF requirements over the grant lifetime: less time than in previous years, but still in the top three percent of CEP's dataset. As a result, grantees receive a lower than typical dollar return – a little over a thousand dollars per process hour. This is compared to \$2,500 at the median.

Selection Process

- ▶ IAF grantees perceive the Foundation's selection process to be incredibly helpful in strengthening their organizations and programs. In fact, IAF is again the highest rated funder in CEP's comparative dataset for this measure – setting a new maximum rating in CEP's dataset. Grantees write that the selection process is “useful and instructive,” “allows us to reflect and improve,” and ultimately “allowed us to grow as an institution.”
- ▶ While helpful, this process is lengthy: more than a third of grantees report waiting more than 12 months between the submission of their grant proposal to a clear commitment of funding, compared to just two percent at the typical funder.
 - Eleven grantees provide suggestions for IAF to shorten the time between submission of proposals and clear commitment of funding.
- ▶ IAF grantees continue to report experiencing more pressure than is typical to modify their organization's priorities in order to create grant proposal likely to receive funding, and as in past years, grantees who report at least a moderate amount of pressure rate significantly lower than grantees who report little or no pressure on most measures in the survey, including aspects of their relationship with IAF and the helpfulness of the selection process.

“The initial process from the submission of the proposal to having a possible funding response is long and in the first few months after the submission of the proposal there was no communication about whether or not our proposal had been accepted.”

“We recognize the thoroughness of the processes developed by the IAF to ensure the effective use of donations and the impact on the beneficiary communities, but the multiplicity of forms used leads to more time than necessary for reports.”

Reporting and Evaluation Processes

- ▶ Grantees rate IAF's reporting process in the top one percent of CEP's dataset for the extent to which it was a helpful opportunity for them to reflect and learn, and in the top two percent for the extent to which their evaluation generated information that will be useful for other organizations. In their comments, grantees note, that the reporting process has “contributed greatly to our learning.”
- ▶ Compared to most other funders in CEP's database and to IAF in past years, a larger proportion of IAF grantees indicated that their evaluation was primarily carried out by IAF staff (rather than staff at their organization or by an external evaluator) and that IAF fully funded the costs of their evaluation. This involvement is associated with higher ratings for aspects of IAF's processes and communications. Nearly all grantees (91 percent, a higher than typical proportion) reported that they had a substantive discussion with IAF about the reports they submitted.
- ▶ Nevertheless, IAF's reporting and evaluation processes are still both seen to be much more time-consuming and less straightforward than most other funders in CEP's dataset. In their comments, grantees note the reporting process is “long and complex.”

CEP Recommendations

Based on its grantee feedback, CEP recommends IAF consider the following in order to build on its strengths and address potential opportunities:

- ▶ **Celebrate and reflect** on the practices, policies, and elements of the Foundation’s culture that contribute to the continued exceptionally strong ratings throughout this report.
- ▶ Continue to provide **valuable non-monetary assistance to grantees**, particularly in areas indicated by grantees as key organizational challenges for which they want more support from the Foundation – particularly capacity building, technical assistance, and encouraging collaboration and grantee convenings.
- ▶ Similar to CEP’s recommendation in IAF’s 2017 grantee report, continue to identify ways to **shorten the amount of time between grantees’ proposal submission and IAF’s commitment of funding** – especially in light of the relative size of IAF grants to grantees’ total budgets. Explore this opportunity particularly for grantees who have more established relationships or who have received consistent funding from IAF.
 - Relatedly, explore mechanisms to ameliorate the pressure grantees feel to modify their organizational priorities to create a proposal likely to receive funding.

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